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As part of the Administration's general emphasis on economy, Joseph M. Dodge, Director of the Bureau of the Budget, today directed all Government agencies to conduct a special review of the use of automobiles and chauffeurs and report to him by October 1.

The review is designed to analyze existing practice, reduce the number of Government-owned cars and chauffeurs, make cars available for transfer and reassignment, and achieve every practicable economy.

Each department and agency is requested to examine the need for cars and chauffeurs in terms of minimum requirements. Reductions in the size of fleets are to be achieved by increased use of public transportation, taxicabs, or rented vehicles; better utilization of cars by pooling or other steps to make fewer cars serve the same number of users; and may also result from decreases in agency activity.

In addition, agencies are requested to transfer cars from one bureau to another and from one area to another where it is appropriate; declare cars excess and thus make them available to other agencies for replacement; and reconsider any plans for purchase of cars and employment of chauffeurs for the fiscal year 1954.

Each agency head is asked to assign the responsibility for effective and productive action to an appropriate official. He is also to see that the law and regulations pertaining to the use of automobiles and chauffeurs are understood and enforced.

SELECTED REQUIREMENTS ON THE PURCHASE AND
USE OF AUTOMOBILES AND AIRCRAFT BY THE GOVERNMENT

Use. -- Government owned automobiles must be used exclusively for official purposes.

"Official purposes" do not include transportation from home to office, except (a) for medical officers on out-patient duty and (b) for field employees in cases where the head of the department concerned determines that the character of their duties makes such transportation necessary.

The restriction on official use does not apply to automobiles for the official use of the President, the heads of the executive departments listed in section 1 of title 5, United States Code, ambassadors, ministers, charges d'affaires, and other principal diplomatic and consular officials.

Penalties. -- If any officer or employee wilfully uses or authorizes the use of a passenger motor vehicle for other than official purposes, the head of the agency concerned is required to --

1. Suspend the offender from duty without compensation for at least one month, or
2. Suspend the offender from duty without compensation for a longer period, or
3. Summarily remove the offender from office.

The use of the second or third penalties is dependent upon a determination of the head of the agency as to whether they are warranted by the circumstances.

Purchase. -- Appropriations (including funds made available under the Government Corporation Control Act, as amended) may not be used for the purchase of automobiles unless so provided in the appropriation itself or other law. (Such provisions are normally contained in the appropriation Acts, and appear only rarely in other laws.) This restriction on purchase authority is not applicable to automobiles for the use of the President, the secretaries to the President, or the heads of the executive departments listed in section 1 of title 5 of the United States Code. However, the restrictions on purchase price are applicable to automobiles for those officers unless otherwise provided by law.

Price. -- No appropriation may be used to purchase an automobile at a cost in excess of a limitation specifically established by law.

The current limitation, applicable to the fiscal year 1954, is \$1,400, which includes all equipment necessary for operation but excludes transportation costs.

It has been customary to provide higher limitations (usually not in excess of \$4,500) for purchase of limousines for specific use of a Cabinet officer, ambassador, or major agency head.

Aircraft. -- The same rules apply to aircraft as to automobiles, except that (1) specific authority of law is required to operate an aircraft, and (2) there is no general limitation on the purchase price of aircraft.

Hire. -- Specific authority of law is required to hire automobiles and aircraft, to the same extent as it is required to purchase them. The restrictions applicable to use of Government-owned vehicles apply equally to use of vehicles hired by the Government.

Identification. -- In general, Government-owned automobiles must use official Government tags and display the full name of the agency or service in which they are used, together with an official shield and the legend "For Official Use Only." Exemption from one or more of these requirements has been granted by the General Services Administration for vehicles used in law enforcement or in work involving security considerations, and for vehicles for the personal use of the President, his secretaries, and the heads of the executive departments listed in section 1 of title 5 of the United States Code. (See GSA Regulations 1-V-201, June 1952.)

Law. -- Current law on this subject is contained in section 16(a) of the Administrative Expenses Act of 1946, 60 Stat. 810, 5 U.S.C. 78, and in section 211 of the Federal Property and Administrative Services Act of 1949, as amended, 64 Stat. 580, 40 U.S.C. 491.